Berkshire Grey Explains How Reverse Logistics Automation Supports Returns Processing

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Berkshire Grey explains how reverse logistics automation can support retailers, e-commerce companies, third-party logistics providers, and distribution operations in managing the growing complexity associated with product returns. As return volumes place additional pressure on warehouses and distribution centers, a structured approach to receiving, inspecting, sorting, routing, and restocking merchandise can help prevent returns from becoming a persistent operational bottleneck.

Reverse logistics begins when products move back through the supply chain rather than toward a customer. A returned product may need to be received, identified, inspected, classified, sorted, repackaged, repaired, restocked, liquidated, recycled, or otherwise disposed of. Manual returns processes can involve delays, repeated handling, inconsistent routing, and inventory inaccuracies.

Berkshire Grey advises warehouse operators to look at returns as a connected operational process rather than a collection of separate tasks. Efficient return processing depends on how quickly products can move from arrival to a clear disposition. Delays in receiving or inspection can affect every subsequent stage, while inconsistent routing can leave resellable inventory unavailable for longer than necessary.

Reverse logistics automation can support this process by applying consistent workflows to repetitive activities. Automation may assist with product identification, movement, sortation, routing, inventory updates, and other repetitive tasks in a returns operation. Human involvement remains important for damaged merchandise, unusual product conditions, warranty questions, suspected fraud, and other exceptions requiring additional judgment.

Organizations should identify those distinctions before introducing automation. A facility with clearly defined return policies, product categories, inspection requirements, disposition rules, and exception procedures is generally better positioned to determine where automation can provide practical value. Automating an unclear process can preserve existing inefficiencies rather than resolve underlying operational problems.

Receiving represents one important area for evaluation. Returned packages often arrive in mixed sizes, product categories, and conditions, creating a labor-intensive process before individual products even reach inspection. Sorting incoming returns into appropriate categories or processing paths can create a more organized flow and reduce unnecessary movement later in the operation.

Inspection remains another critical point. Not every return follows the same path. A product suitable for immediate resale requires different handling than merchandise that requires repackaging, refurbishment, vendor return, liquidation, or disposal. Establishing clear disposition rules is important to ensure products move to the appropriate destination without unnecessary intermediate handling.

Once a disposition has been determined, physical movement and sortation can become significant sources of repetitive work. Returned products may need to travel between inspection areas, inventory locations, workstations, storage areas, or other destinations. Automated sortation and material movement can support this stage by directing products according to defined workflows while reserving manual attention for exceptions.

The connection between physical warehouse processes and digital systems is another important factor. Reverse logistics does not end when an item reaches a shelf or sorting destination. Inventory records, return status, accounting information, customer credits, exchanges, and other business processes may need corresponding updates. Coordination between warehouse activity and systems such as warehouse management, inventory, enterprise resource planning, transportation, e-commerce, and returns management platforms can reduce gaps between physical inventory and digital records.

Berkshire Grey advises organizations evaluating reverse logistics automation to consider throughput alongside accuracy and recovery time. Processing a large number of returns has limited value when products are repeatedly misrouted or remain unavailable for resale. Measures such as processing time, labor requirements, cost per return, return-to-inventory time, sorting accuracy, exception rates, and overall throughput can provide a clearer picture of performance.

Seasonality also deserves consideration. Return volumes often change substantially following holidays, promotions, and other high-volume sales periods. A process designed around average volume may struggle when requirements for receiving and sorting increase rapidly. Berkshire Grey recommends examining both normal operating conditions and peak periods when determining appropriate automation requirements.

Another important consideration involves the number of times a returned product is handled. Additional touches can increase manual handling and contribute to longer processing times. Mapping the complete returns journey can help operators identify steps where merchandise waits, changes hands unnecessarily, or travels between multiple locations.

Berkshire Grey notes that effective reverse logistics automation depends on creating a consistent and manageable process for handling returned products. Clear workflows, appropriate automation, and coordination between physical operations and warehouse systems can support more efficient routing and reduce unnecessary handling. As return volumes and processing requirements change, evaluating the complete returns process can help facilities identify bottlenecks, improve consistency, and determine where automation may be appropriate.

About Berkshire Grey:

Berkshire Grey, a SoftBank Group wholly owned subsidiary, is a global leader in AI-driven robotics warehouse automation that transforms warehouse and fulfillment operations for parcels and logistics providers, 3PLs, retailers, and e-commerce customers. The company provides end-to-end automation solutions at scale across critical, high-volume workflows, from picking and sortation through dock automation. Powered by deep expertise in robotics, artificial intelligence, and software, Berkshire Grey enables customers to reduce labor risk, increase throughput, and flex operations in response to rapidly changing demand.

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